

**Assembly Bill No. 1963**

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Passed the Assembly    August 29, 2000

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*Chief Clerk of the Assembly*

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Passed the Senate    August 24, 2000

\_\_\_\_\_  
*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2000, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

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## CHAPTER \_\_\_\_\_

An act to add Section 1748.13 to the Civil Code, relating to consumer credit.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1963, Hertzberg. Credit cards.

Existing law regulates credit card issuers, as specified.

This bill would require a credit card issuer to provide the cardholder, in each billing statement, a statement indicating when the entire balance due on an open-end credit card account would be paid off if the cardholder were to pay only the minimum amount due on the open-end credit card account, as specified.

*The people of the State of California do enact as follows:*

SECTION 1. Section 1748.13 is added to the Civil Code, to read:

1748.13. (a) A credit card issuer shall, with each billing statement provided to a cardholder in this state, provide a statement indicating the number of months and total cost to pay off the entire balance due on an open-end credit card account if the cardholder were to pay only the minimum amount due on the open-ended account based upon the terms of the credit agreement. If the account is subject to a variable rate, the creditor may make calculations and disclosures based on the rate as of a specific date and indicate that the rate may vary.

(b) (1) For purposes of this section, "open-end credit card account" means an account in which consumer credit is granted by a creditor under a plan in which the creditor reasonably contemplates repeated transactions, the creditor may impose a finance charge from time to time on an unpaid balance, and the amount of credit that may be extended to the consumer during the term of the plan is generally made available to the extent that any outstanding balance is repaid and up to any limit set by the creditor.



(2) For purposes of this section, “credit card” has the same meaning as in paragraph (2) of subdivision (a) of Section 1748.12.



Approved \_\_\_\_\_, 2000

\_\_\_\_\_  
*Governor*

